

CEKTIHICALE UP NEED PRO DEPARTMENT OF HEAL

January 26, 2007

Janis Sigman, Manager Certificate of Need Program Office of Certification and Technical Support Department of Health 310 Israel Road SE Tumwater, WA 98501

Since 1962, a nonprofit. community-based health care provider.

SUBJECT: Letter of Intent to Construct a New Dialysis Facility

NKC Seattle Kidney Center

Dialysis facilities located in:

Auburn

Dear Ms. Sigman:

Bellevue First Hill Lake City Normandy Park Northgate Port Angeles Renton Seattle Snoqualmie Totem Lake West Seattle

Northwest Kidney Centers operates the largest dialysis facility in the State of Washington, the NKC Haviland Kidney Center on First Hill in central Seattle. In use since 1979, it is also the oldest facility we operate and in need of some major renovation, which will be logistically difficult to accomplish with its current intensity of use. Consequently, our Board of Trustees has authorized a plan to relocate the majority of clinical services to a new, nearby location.

Dialysis services also provided in:

160 Homes 14 Hospitals

Please be advised that we intend to file a Certificate of Need to relocate 38 of the 53 certified dialysis stations at the NKC Haviland Kidney Center to a proposed new facility, the NKC Seattle Kidney Center, located at 518 15th Avenue, Seattle, WA 98122. This will be a new, four story, 25,000 squarefoot state-of-the-art facility devoted exclusively to providing dialysis services to the residents of King County Planning Region Two (WAC 246-310-280). Services will include routine maintenance hemodialysis, isolation dialysis, an entire floor of permanently bedded stations to accommodate high-acuity care patients, and an entire floor of individual rooms for home dialysis training and support for both hemodialysis and peritoneal dialysis modalities.

700 Broadway

Seattle, WA 98122

Ph: 206.292-2771

This project proposes only a new facility, with no net change to existing services or capacity in this planning region. The new facility will, however, be supported with an emergency power generator and will also include designated surge capacity for use in any type of emergency event that causes a reduction in dialysis capacity in other parts of the county or state.

Fax: 206.860.5821

www.nwkidney.org

The lease for the new building has already been executed, and the estimated capital expenditure for our project is \$4,934,998.00. The building will be developed by the Sabey Corporation per the following schedule:

Master Use Permit approval (in process)
Construction Permit approval
Shell & Core Construction completed
NKC Tenant Improvements completed
NKC Occupancy

May 1, 2007 September 1, 2007 May 1, 2008 September 1, 2008 October 1, 2008

Sincerely,

Joyce F. Jackson

President and CEO